

N E W S R E L E A S E

Contact: Loree Levy
Kevin Callori
(916) 654-9029

Date: October 21, 2005

News Release No.: 05-55

California's Unemployment Rate Declines to 5.1 Percent

First time CA and US rates equal in more than 15 years

Sixth Consecutive Month of Record High Employment

SACRAMENTO – California's unemployment rate was 5.1 percent in September, down from 5.2 percent in August, the state Employment Development Department (EDD) reported today. A year ago, in September 2004, California's unemployment rate was 6.1 percent.

This is the first time since April 1990 that California has had an unemployment rate equal to the nation's (when the state and U.S. rates were 5.4 percent). During the past 15 years, the national unemployment rate had been as much as 2.8 percent lower than that of California. The national unemployment rate increased 0.2 percent last month, which the U.S. Bureau of Labor Statistics attributed, in part, to the impact of Hurricane Katrina.

According to EDD's survey of employers, nonfarm payroll employment in California fell by 23,700 jobs over the month, for a total of 14,807,700.

According to the separate survey of households, the number of Californians holding jobs in September was 16,999,000, a record high for employment for the sixth consecutive month. This was an increase of 41,000 from August, and up 468,000 from the employment total in September of last year.

The number of people unemployed in California was 906,000 – a decline of 27,000 over the month, and down by 164,000 compared with September of last year.

Of the unemployed, 278,400 were laid off, 102,300 left their jobs voluntarily, and the remaining were either new entrants or reentrants into the labor market, or persons who completed temporary jobs.

UNEMPLOYMENT INSURANCE CLAIMS (NOT SEASONALLY ADJUSTED)

In related data, the EDD reported that there were 300,121 people receiving regular unemployment insurance benefits during the September survey week. This compares with 324,564 last month and 358,752 last year. At the same time, new claims for unemployment insurance were 34,705 in September 2005, compared with 33,711 in August and 39,350 in September of last year.

-more-

WAGE AND SALARY EMPLOYMENT DETAIL (SEASONALLY ADJUSTED)

EDD's report on payroll employment (wage and salary jobs) in the nonfarm industries of California totaled 14,807,700 in September, a net loss of 23,700 jobs since the August survey. This followed a gain of 39,800 jobs (as revised) in August.

Six of the categories (**natural resources and mining; construction; financial activities; professional and business services; educational and health services; and other services**) added jobs over the month, gaining 6,300 jobs. The construction industry showed the largest gain, up by 3,300 jobs. Five categories (**manufacturing; trade, transportation and utilities; information; leisure and hospitality; and government**) reported job declines this month, down 30,000 jobs. Government posted the largest decline over the month, down by 17,000 jobs.

In a year-over-year comparison (September 2004 to September 2005), nonfarm payroll employment in California increased by 226,300 jobs (up 1.6 percent).

Eleven industry divisions (**natural resources and mining; construction; manufacturing; trade, transportation and utilities; information; financial activities; professional and business services; educational and health services; leisure and hospitality; other services; and government**) posted job gains over the year, adding 226,300 jobs. On both a numerical and percentage basis, construction showed the strongest employment growth, adding 58,600 jobs (a 6.8 percent increase). Professional and business services and leisure and hospitality recorded the next largest gains, adding 41,100 jobs (up 1.9 percent) and 36,200 jobs (up 2.5 percent), respectively.

No industries posted job declines over the year.

WAGE AND SALARY EMPLOYMENT DETAIL (**NOT** SEASONALLY ADJUSTED)

Over the month, **government** recorded the greatest non-seasonally adjusted gain, up by 50,500 jobs. The gains were concentrated in local and state government education, which were up by 54,300 jobs and 5,300 jobs, respectively, reflecting the start of the new school year. **Leisure and hospitality** recorded the greatest non-seasonally adjusted loss, down by 14,200 jobs. The losses were mainly in the arts, entertainment, and recreation sector, which declined by 9,200 jobs.

The **construction** industry reported the largest gain over the year, up 61,600 jobs. The gains were concentrated in the specialty trade contractors sector, which was up by 41,800 jobs. The **professional and business services** industries recorded the second largest gains over the year, adding 40,300 jobs. The gains were concentrated in the administrative and support services sector, which was up 25,500 jobs, and primarily in employment services, which was up by 18,300 jobs. No industries reported decreases over the year.

Seasonally adjusted payroll detail follows:

WAGE AND SALARY EMPLOYMENT, SEASONALLY ADJUSTED DATA

(Amounts in thousands)

Industrial Classification	September 2005 (prelim.)	August 2005	September 2004	Change Over 12 months (Percent)
Nonagricultural Wage and Salary Workers	14,807.7	14,831.4	14,581.4	1.6
Natural resources and				
Mining	23.0	22.8	22.9	0.4
Construction	919.0	915.7	860.4	6.8
Manufacturing	1,533.9	1,535.8	1,531.2	0.2
Trade, transportation and				
Utilities	2,783.0	2,783.6	2,761.9	0.8
Information	479.6	489.4	472.3	1.5
Financial activities	922.9	922.5	908.2	1.6
Professional and business				
services	2,156.4	2,156.0	2,115.3	1.9
Educational and health				
services	1,588.7	1,587.5	1,567.1	1.4
Leisure and hospitality	1,483.8	1,484.5	1,447.6	2.5
Other services	510.6	509.8	505.3	1.0
Government*	2,406.8	2,423.8	2,389.2	0.7
Agriculture	359.8	370.8	368.2	-2.3

*Includes all civilian employees of federal, state, and local governments.

TABLE A
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, SEASONALLY ADJUSTED DATA

	September 2005	August 2005	July 2005	September 2004
Civilian labor force ^a	17,905,000	17,891,000	17,800,000	17,601,000
Total civilian employment	16,999,000	16,958,000	16,882,000	16,531,000
Unemployment	906,000	933,000	918,000	1,070,000
Seasonally adjusted rate %	5.1	5.2	5.2	6.1
US seasonally adjusted rate %	5.1	4.9	5.0	5.4

TABLE B
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, UNADJUSTED DATA

	September 2005	August 2005	July 2005	September 2004
Civilian labor force ^a	17,896,000	18,012,000	17,946,000	17,553,000
Total civilian employment	17,033,000	17,086,000	16,972,000	16,555,000
Unemployment	863,000	926,000	974,000	998,000
Unadjusted rate %	4.8	5.1	5.4	5.7

^aLabor force by place of residence including workers involved in trade disputes.

MONTHLY LABOR FORCE DATA FOR COUNTIES
September 2005 (Preliminary); 2004 BENCHMARK
NOT SEASONALLY ADJUSTED

COUNTY	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	RATE
STATE TOTAL	17,896,700	17,033,400	863,300	4.8%
ALAMEDA	767,400	729,700	37,800	4.9%
ALPINE	480	440	40	8.9%
AMADOR	17,850	17,020	830	4.6%
BUTTE	101,200	95,500	5,600	5.6%
CALAVERAS	20,410	19,300	1,110	5.5%
COLUSA	10,220	9,470	750	7.4%
CONTRA COSTA	519,300	495,600	23,600	4.6%
DEL NORTE	11,110	10,390	720	6.5%
EL DORADO	91,100	87,300	3,800	4.2%
FRESNO	417,900	387,300	30,700	7.3%
GLENN	12,520	11,720	800	6.4%
HUMBOLDT	61,700	58,600	3,200	5.1%
IMPERIAL	64,200	52,800	11,300	17.7%
INYO	9,380	8,980	400	4.3%
KERN	326,400	303,200	23,300	7.1%
KINGS	54,900	50,800	4,100	7.4%
LAKE	25,990	24,250	1,740	6.7%
LASSEN	12,380	11,590	790	6.4%
LOS ANGELES	4,871,500	4,653,400	218,100	4.5%
MADERA	68,300	64,400	3,900	5.7%
MARIN	132,000	127,200	4,900	3.7%
MARIPOSA	9,180	8,760	430	4.6%
MENDOCINO	45,300	43,140	2,160	4.8%
MERCED	102,500	94,700	7,800	7.6%
MODOC	4,180	3,950	240	5.6%
MONO	8,040	7,640	400	5.0%
MONTEREY	216,800	206,100	10,700	4.9%
NAPA	75,400	72,600	2,800	3.7%
NEVADA	49,650	47,600	2,040	4.1%
ORANGE	1,631,200	1,571,900	59,200	3.6%
PLACER	159,000	152,800	6,200	3.9%
PLUMAS	11,310	10,740	570	5.0%
RIVERSIDE	835,200	790,600	44,600	5.3%
SACRAMENTO	681,300	650,000	31,300	4.6%
SAN BENITO	24,900	23,500	1,400	5.7%
SAN BERNARDINO	859,500	817,900	41,700	4.8%
SAN DIEGO	1,526,100	1,463,000	63,100	4.1%
SAN FRANCISCO	431,300	410,600	20,700	4.8%
SAN JOAQUIN	291,500	272,000	19,500	6.7%
SAN LUIS OBISPO	133,500	128,400	5,100	3.8%
SAN MATEO	369,000	353,700	15,300	4.1%
SANTA BARBARA	218,000	209,400	8,600	3.9%
SANTA CLARA	832,700	789,500	43,200	5.2%
SANTA CRUZ	148,600	141,500	7,100	4.8%
SHASTA	85,800	80,700	5,100	5.9%
SIERRA	1,640	1,550	90	5.6%
SISKIYOU	19,390	18,080	1,310	6.8%
SOLANO	215,200	204,400	10,800	5.0%
SONOMA	261,700	251,100	10,600	4.1%
STANISLAUS	233,900	217,500	16,300	7.0%
SUTTER	41,600	38,700	2,900	7.0%
TEHAMA	25,810	24,320	1,490	5.8%
TRINITY	5,420	5,020	400	7.5%
TULARE	178,200	163,400	14,800	8.3%
TUOLUMNE	26,510	25,120	1,390	5.2%
VENTURA	419,000	398,800	20,300	4.8%
YOLO	95,200	91,100	4,100	4.3%
YUBA	26,900	24,800	2,100	7.9%